COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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June 12, 2019

Roger Gunter
AETNA Better Health of Virginia
9881 Mayland Drive
Richmond, VA 23233

Re: Commonwealth Coordinated Care Plus (CCC Plus) Program – Response to Corrective Action Plan

Dear Mr. Gunter,

Thank you for your response to the Corrective Action Plan (CAP) issued to Aetna on May 17, 2019. The Department of Medical Assistance Services (DMAS) has revised four (4) of the five (5) compliance actions for payment processing issues cited in the CAP. According to the CCC Plus contract, Managed Care Organizations (MCO) must reimburse services in the same manner as DMAS fee-for-service (FFS). Aetna has not met contractual standards regarding payment processing as stated in the original CAP letter. Therefore, DMAS has made the following determinations:

1. **Part B Therapy:** As stated in the original letter, guidance regarding the payment rate for Part B therapy services when billed by a Nursing Facility was provided on January 19, 2018, December 20, 2018, April 19, 2019, and May 20, 2019. Aetna has not taken the necessary actions to process claims based on the guidance resulting in inaccurate reprocessing of Part B Nursing Facility claims. After review of Aetna's comments, DMAS determined the Nursing Facility Part B therapy services issue and respective points and sanctions will not be removed from the CAP. Furthermore, **Aetna must immediately cease reprocessing of Part B therapy claims and verify accurate payment methodology with DMAS prior to processing these claims.**

The following claims issues identified in the CAP, explained below, have been revised to be Managed Care Improvement Plans (MIPs). Points and sanctions will be removed; see attached MIP letters.

2. **Hospice/MIP:** DMAS recognizes the 95.51% average 14-day processing rate of hospice claims that was reported for the month of March 2019; however, processing of these claims must meet contractual standards at any point of time. At the time the CAP letter was issued,

the average 14-day processing of these claims was 83% for March 1, 2019 to March 19, 2019.

3. **Early Intervention:** DMAS acknowledges the establishment of Pre-Check Run Queries; however, the untimely adjudication of Early Intervention claims for the month of March at a rate of 24% was non-compliant with CCC Plus contract standards.

4. **Addiction and Recovery Treatment Services (ARTS):** DMAS grants the calculation used in the CAP resulted in an inaccurate rate of 47% of ARTS claims being denied in the month of March 2019. However, the accurate calculation resulting in 29% of denied ARTS claims remains an outlier.

5. **Durable Medical Equipment (DME) Rental Supplies:** As stated in the original CAP letter, guidance was provided regarding accurate reimbursement of DME crossover claims on December 19, 2018 and March 6, 2019. DMAS reiterated the proper payment method during a conference call on March 13, 2019 and provided written documentation of the discussion. Aetna's current payment algorithm based upon per diem allowable rates are incorrect for DME rentals when payment of the entire co-insurance and deductible are required.

Based on the above stated issues of non-compliance and revisions to the CAP, Aetna will be issued a point violation pursuant to Section 18.0 of the CCC Plus Contract. Revised assessment of these points are stated in Exhibit 1 below. Aetna shall submit a CAP to DMAS for Part B Therapy claims for approval no later than 30 calendar days from the date of this letter. Aetna will need to identify the root cause(s) for the lack of compliance and develop a practicable project plan to ensure contractual rates are maintained. Failure to comply with the approved CAP by August 1, 2019 will result in no new admissions assigned to Aetna beginning September 2019 until the claims issues are resolved.

If you have any questions regarding these concerns, contract standards or CAP requirements, please contact Joshua Walker at 804-418-4464. Please sign, date and return acknowledging receipt to cccpluscompliance@dmas.virginia.gov.

Sincerely,

Tammy Whitlock, MSHA
Deputy Director of Complex Care and Services

Exhibit 1 – Aetna – 2019 Point Schedule

MCO	Area(s) of Violation	Previous Balance	Point(s) Expired	Point(s) Incurred	Current Balance	Sanctions pursuant to 18.2.2
AETNA Better Health	2018-AET-008: 12.4.1 / 12.4.2	0	0	5	5	$1,000

18.2.3.2 Five (5) Point Violations

Noncompliance with Claims Adjudication Requirements - If the Department finds that the Contractor is unable to (1) electronically accept and adjudicate claims to final status, or (2) notify providers of the status of their submitted claims, the Contractor may be assessed 5 points per incident of noncompliance. If the Department has identified specific instances where a Contractor has failed to take the necessary steps to comply with the requirements specified in this Contract by (1) failing to notify non-contracting providers of procedures for claims submissions when requested or (2) failing to notify contracting and non-contracting providers of the status of their submitted claims, the Contractor may be assessed 5 points per incident of noncompliance.

Acknowledge agreement via signature below to address the Corrective Action Plan (CAP) within the attached letter.

Roger Gunter 6/18/19

Roger Gunter (Signature & Date)